

imaginary, more or less. There were scabby sheep on one side with two years allowed to clean, and we had sheep on the other side which the owners were trying their best to clean. This was an arrangement impossible to carry out. During this extension there was a reduction of the number of scabby sheep. It gave people time to fence. There were many places where they had not the necessary conveniences. I think that during these two years the greater portion of the sheep were cleaned. The greater proportion of these sheep should be clean still. There were three stations, however, where they became reinfected through wild sheep.

2348. Which were they?—The Blairich, the Richmond, and the Waipapa.

2349. Did Flaxbourne clean?—It has been reported scabby.

2350. There are wild sheep on the Crown lands. You are referring to the runs in the Awatere: has there been a fresh outbreak on these three runs?—The whole of the district would have been clean if it had not been for the exception of the Kaikouras. Messrs. McRae, Richmond, and others were fined.

2351. Where did the scab come from?—They were killing wild sheep in one portion of the country that was isolated. They fenced out a large block of country; a very small portion of this is Crown land. The Upton Downs manager went outside the fence and killed five hundred odd sheep. In doing so he rushed a wild ram in over his own fence. This was not discovered until about six weeks afterwards. Unfortunately two or three appear to have got in since that country has been cleared of wild sheep by contract. The Kaikouras have been scabby all along. There are three runs there that were never cleaned. Not a single thing was ever done upon them.

2352. During the two years?—No.

2353. Which are they?—The Waipapa, the Clarence, and the Kincaid.

2354. Directly the Act came into force, did you take steps to see that the Inspectors did their duty in regard to these flocks?—They were powerless until the period of two years would be up.

2355. But there was the clause 66 in the Act, was that acted upon?—No.

2356. Why not?—I had a communication with the then Government with reference to the £10 penalty. There is a penalty of ¼d. for every sheep in the runholder's possession at the end of six months. It was useless to attempt it.

2357. If it had been put in force, do you think it would not have a very great effect upon the runholders?—Not the slightest.

2358. The £10 penalty was never insisted upon for that reason?—No; those men who intended to clean their sheep did it, those who did not are now scabby.

2359. *Hon. Mr. Waterhouse.*] Was it a question for your consideration as to the effect it would have. The matter was brought under the notice of Government?—I was only Chief Inspector of the district. It is a long time ago. The matter was considered by the Government. I cannot tell you exactly what decision they arrived at, but it was not thought wise to carry it into effect.

*Hon. Mr. Campbell:* You ought to have seen that it was carried out, as the head of the department.

2361. *Hon. the Chairman.*] He was not the head of the department at that time: he was only the Chief Inspector at Marlborough. Can you tell us, Mr. Bayly, what instructions were sent in regard to this?—I cannot tell you what the instructions were.

2362. Can you tell us where we can get them?—I do not know whether there were instructions: the matter was referred to in one of my general reports from Marlborough at the time. I had not further charge than in the Marlborough District. I recollect that, with regard to the £10 penalty, it was deemed advisable not to carry it out.

2363. *Mr. Walker.*] Did you read the end of the clause: "It will be the duty of the Inspector to lay a fresh information every six months"?

*Hon. Mr. Waterhouse:* There is no option there.

2364. *Hon. Mr. Campbell.*] You were there, and did not do it?—Very likely so; but I think there is something else connected with that which has been overlooked. I think there was something in connection with the other clauses.

*Hon. Mr. Campbell:* No, no; let us stick to this clause.

*Witness:* By referring to the infected list, when the Act had been twelve months in existence, it will be seen that very many small sheepowners, of from fifty up to three hundred sheep, would have been compelled to pay the £10 fine and expenses, which, to many of them, would have been ruin, while the large owner could have sent his cheque for £10 and not felt it; consequently it was deemed this clause would act unfairly.

2365. *Hon. Mr. Campbell.*] Who was the head of the department at that time?—That is more than I can tell you. The then Premier, Sir John Hall, and Mr. Maunsell had more to do with it than any one else.

2366. *Hon. Mr. Waterhouse.*] Then, that clause 66 has never been acted upon?—It has never been acted on.

2367. *Hon. the Chairman.*] Now, with regard to separate flocks, are you aware that Mr. Ingles has a separate flock on his run?—I have been so informed.

2368. Do you approve of that?—No; not unless he has a shed erected where he would work them outside.

2369. Are you aware whether his run has been cut up and divided into separate holdings?—I believe so. There has been a fence put up between his clean sheep and the sheep that would be supposed to come to the other part.

2370. Supposing a lease or transfer of a portion of the run, do you think the Inspector, in such circumstances, would be justified in considering the two flocks to be as one—the two parts to be one run—or would he be compelled to consider them as two separate flocks and runs?—As two if the necessary appliances were found there; but they must be considered as one if these appliances for each were not there.

2371. Is it really so; for, if so, a person purchasing a run should understand it?—I have never heard it questioned.